

Decisions taken by the Union Cabinet

❖ Cabinet approves MoU between India and Korea for export credit of USD 9 billion

The Union Cabinet chaired by the Hon'ble Prime Minister Shri Narendra Modi has approved the proposed Memorandum of Understanding (MoU) between Export-Import Bank of India (EXIM Bank) and Export-Import Bank of Korea (KEXIM) for export credit of USD 9 billion for infrastructural development in India and for the supply of goods and services as part of projects in third countries.

The MoU is proposed to be signed between the two banks during the forthcoming visit of the Finance Minister Shri Arun Jaitley, to Seoul, Korea during 14-15 June 2017 for the Annual Financial Bilateral Dialogue. The decision is expected to promote the country's international exports, and deepen political and financial ties between India and Korea. The export credit will be utilized through lending by EXIM Bank for promoting projects for priority sectors, including smart cities, railways, power generation and transmission etc., in India and for the supply of goods and services from India and Korea as part of projects in third countries.

❖ Cabinet approves agreement between India and Cyprus on Merchant Shipping

The Union Cabinet chaired by Hon'ble Prime Minister Shri Narendra Modi has given its ex-post facto approval to the Agreement between India and Cyprus on Merchant Shipping, which was signed in April 2017. The Agreement in Merchant Shipping will pave the way for cooperation in eliminating any hindrances which may hamper the development of sea trade between the two nations. The MoU will encourage participation in the transport of goods between the countries, and also from third countries. The MoU further seeks to enhance cooperation for employment, improvement of conditions of work and for the welfare of seafarers employed on each other's vessels.

❖ Cabinet approves Bilateral MoU between India and Iran

The Union Cabinet chaired by Hon'ble Prime Minister Shri Narendra Modi has approved the Bilateral Memorandum of Understanding (MoU) between Securities and Exchange Board of India (SEBI) and Securities and Exchange Organization (SEO), Iran in relation to mutual cooperation on matters pertaining to securities markets. The MoU is likely to promote further development of economic links and cooperation between the two regulators, and aims at creating conditions for an effective development of securities markets in the two countries. It would also contribute towards strengthening the information sharing framework between the two countries. It is expected to add value to overseas mutual cooperation and regulation activities of SEBI and SEO, Iran. The MoU is expected to contribute towards strengthening the information sharing framework between SEBI and SEO, Iran.

❖ Cabinet approves MoU between India and Mali for standardization and conformity assessment

The Union Cabinet chaired by the Hon'ble Prime Minister Shri Narendra Modi has given its ex-post facto approval to the Memorandum of Understanding (MoU) between Bureau of Indian Standards (BIS), India and Direction Nationale De Industries (MLINDI), Republic of Mali on Standardization and Conformity Assessment. The MoU aims to facilitate closer cooperation and provide a mechanism by which India and Mali can work together towards the common aim of strengthening standardization and conformity assessment activities in order to facilitate sharing of expertise and mutual trade.

❖ **Cabinet approves Agreement between India and Somalia on transfer of sentenced persons**

The Union Cabinet chaired by Hon'ble Prime Minister Shri Narendra Modi has given its approval for signing and subsequent ratification of the Agreement on Transfer of sentenced persons between India and Somalia. Signing the Agreement with Somalia shall facilitate the Indian prisoners imprisoned in Somalia or vice-versa to be near to their families, for serving remaining part of their sentence and shall facilitate their social rehabilitation. The Government of India has signed bilateral Agreements on Transfer of Sentenced Persons with United Kingdom, Mauritius, Bulgaria, France, Egypt, Sri Lanka, Cambodia, South Korea, Saudi Arabia, Iran, Bangladesh, Brazil, Israel, Bosnia & Herzegovina, UAE, Italy, Turkey, Maldives, Thailand, Russian Federation, Kuwait, Vietnam, Australia, Hong Kong, Qatar, Mongolia, Kazakhstan, Bahrain and Estonia.

❖ **Cabinet approves Signing of Memorandum of Understanding between Securities and Exchange Board of India and European Securities and Markets Authority**

The Union Cabinet chaired by Hon'ble Prime Minister Shri Narendra Modi has given its approval to the Securities and Exchange Board of India (SEBI) for entering into a Memorandum of Understanding (MoU) with European Securities and Markets Authority (ESMA) in relation to Mutual Co-operation. The MoU is likely to establish cooperation arrangements as a precondition for ESMA to recognize Central Counter Parties (CCPs) established in India and supervised by the Securities and Exchange Board of India to provide clearing services to clearing members or trading venues established in the European Union and to provide ESMA with adequate tools to monitor the on-going compliance by the Covered CCPs with the Recognition Conditions.

❖ **Cabinet approves transfer of 4.64 hectares of land belonging to Indian Institute of Soil & Water Conservation (IISWC) Research Centre at Vasad, Gujarat to National Highways Authority of India**

The Union Cabinet chaired by the Hon'ble Prime Minister Shri Narendra Modi has approved the proposal for transfer of 4.64 hectares (46384 Sq. meters) of land belonging to the Indian Institute of Soil & Water Conservation (IISWC) Research Centre at Vasad, District Anand, Gujarat under the Indian Council of Agricultural Research to the National Highways Authority of India (NHAI) on payment of compensation amounting to Rs. 12.67 crore for extension and six laning of Ahmedabad - Vadodara Highway on NH-8. The NH-8 is an important highway connecting Vadodara and Ahmedabad. The transfer of land to the NHAI for construction of extension and six laning of Ahmedabad - Vadodara section of NH-8 is likely to benefit the region leading to enhanced opportunities for: growth and development in terms of infrastructure, transport, communication, employment generation etc. The decision is also part of the Government's plans to boost infrastructure in key sectors for accelerating the pace of growth.

❖ **Cabinet approves Initial Public Offer of Indian Renewable Energy Development Agency Limited**

The Cabinet Committee on Economic Affairs chaired by the Hon'ble Prime Minister Shri Narendra Modi has given its approval to:

- a) Issue 13,90,00,000 fresh equity shares of Indian Renewable Energy Development Agency (IREDA) of Rs.10 each to the public on book-building basis through the Initial Public Offerings (IPO);
- b) Issue shares to retail investors and IREDA employees at a discount of 5% on the issue price of each equity share on book-building basis, with cap of 0.5% on equity post issue for Central Public Sector Enterprises (CPSE) employees and the allocation to retail investors in the net offer will not be less than 35%, as per the ICDR, 2009. However, the number of shares proposed to be issued to employees and retail investors will be finalized in consultation with the lead managers and as per the SEBI regulations and
- c) Conduct book building process for the said IPO by Ministry of New and Renewable Energy (MNRE)/ IREDA through Book Running Lead Manager (BRLM) as per the guidelines of Department of Investment and Public Asset Management (DIPAM) and as per guidance of the Inter-Ministerial Group.

The Public issue of equity will enable IREDA to increase its equity base which will help them raise more debt resources for funding RE projects. Such public issue will also enable it to unlock its true value and increase its visibility in domestic and international financial markets. IREDA, being the premier institution for RE Sector, will be required to raise equity funds to leverage loan financing for RE Sector. IREDA has to cater to the increasing needs of the sector to sustain its contribution to the Renewable Energy Sector. Government of India has scaled-up the RE targets to 175 GW by the year 2022. To achieve this ambitious target, substantial investments in RE sector will be required.

❖ **Cabinet approves development of four laning from end of Pandoh bypass to Takoli section of National Highway (NH)**

- 21 in Himachal Pradesh

The Cabinet Committee on Economic Affairs chaired by Hon'ble Prime Minister Narendra Modi has given its approval for development of four laning from 'end of Pandoh Bypass to Takoli' section of National Highway (NH)-21 in Himachal Pradesh. The cost is estimated to be Rs.2775.93 crore including cost of land acquisition, resettlement and rehabilitation and other pre-construction activities. The total length of the road to be developed is approximately 19 kms. This work will be done under National Highways Development Project (NHDP) Phase IV B on Hybrid Annuity Mode. The project will help in expediting the improvement of infrastructure in Himachal Pradesh and in reducing the time and cost of travel for traffic, particularly heavy traffic, plying between 'end of Pandoh Bypass to Takoli' section. The development of this stretch will also help in uplifting the socio-economic condition of this region in the State. It would also increase employment potential for local labourers for project activities. It has been estimated that a total number of 4,076 mandays are required for construction of one kilometre of highway. As such, employment potential of 77,000 (approx.) mandays will be generated locally during the construction period of this stretch.

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Warm regards,

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